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TO RUEHC/SECSTATE WASHDC PRIORITY 9092
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUCPDO/DEPT OF COMMERCE WASHDC

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SIPDIS

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STATE FOR EUR/NCE AND EB/IPE JBOGER
STATE PASS USTR FOR JCHOE-GROVES AND WMOORE
COMMERCE FOR 4232/ITA/MAC/MROGERS
COMMERCE PASS USPTO
STATE PASS LIBRARY OF CONGRESS

E.O. 12958: N/A
TAGS: [KIPR](#) [ETRD](#) [ECON](#) [EZ](#)
SUBJECT: CZECH REPUBLIC: IPR OFF-CYCLE REVIEW ACTION PLAN
DELIVERED

REF: A. CHOE-GROVES E-MAIL OF MAY 11 & MAY 16

- [1](#)B. PRAGUE 457
- [1](#)C. STATE 56305
- [1](#)D. PRAGUE 399
- [1](#)E. PRAGUE 359
- [1](#)F. PRAGUE 323
- [1](#)G. PRAGUE 293
- [1](#)H. PRAGUE 274
- [1](#)I. PRAGUE 244
- [1](#)J. PRAGUE 160

[1](#)1. (SBU) SUMMARY AND COMMENT: Econoffs met May 21 with Ministry of Industry and Trade Multilateral Trade Director Ladislava Votavova to deliver "USG Suggested IPR Actions" (ref A) for the Czech Republic's Special 301 Off-Cycle Review (OCR). Votavova welcomed the USG input and reiterated that she understood the Czech government had significant work to do to resolve the problem of piracy at the open air markets. She explained that the Minister of Industry and Trade welcomed the news that the Czech Republic would not/not be on the 2007 Watch List (ref B & C), agreed on the need for real changes, and strongly supports the Czech Inter-Ministerial IPR Committee to lead that effort. The change in attitude and receptivity at the highest working levels is to be lauded. The devil, however, is in the current government's willingness and ability to put its political capital behind the IPR issue given competing pressing issues (i.e. public finance reform package tied to vote of confidence - ref E). In the meantime, Votavova will provide a readout of the May 25 IPR committee meeting, including the committee's reaction to the USG suggested actions, which post will report front channel. END SUMMARY AND COMMENT.

[1](#)2. (SBU) Econoff explained OCR as an opportunity for the GOCR to demonstrate its commitment and progress on combating IPR violations at the border markets, stressed that the OCR could still result in the Czech Republic getting on the Special 301 Watch List, presented the USG suggested actions (ref A) in both English and Czech, and provided an overview of the OCR timeline. She emphasized that the USG would evaluate the Czech Republic at the October/November Special 301 OCR according to these suggested actions, and urged the GOCR to engage both the Embassy and industry groups regularly on its action program and progress. Votavova welcomed the USG input and explained what the GOCR had decided since receiving the April 27 news (ref B) that the Czech Republic has been placed on OCR vice the Watch List.

¶3. (SBU) Votavova said that the Czech Inter-Ministerial Committee will meet on May 25 to assign tasks based on a review all existing IPR legislation, identified gaps in enforcement, and any need for new/amended IPR legislation. Furthermore, this body, which in the past met every three to four months, would now meet on a monthly basis. Votavova noted that when she presented this to the Minister of Industry and Trade, he readily signed off on it without any changes, a sign that he understood real changes had to be made.

¶4. (SBU) Votavova said that as a good first step, the inter-ministerial team would visit the most notorious open air market in Cheb, possibly with Minister of Industry and Trade Martin Riman. Votavova said she had also received suggested actions from the local representative of the recording industry group IFPI and said that industry pressure can help move the situation forward to resolution. The GOCR will invite industry groups to its June IPR committee meeting and also invited Embassy participation, which embassies accepted.

GRABER